

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

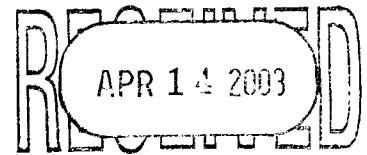
**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-01976A  
Tall Pine Estates Water & Improvement Association  
HC 31 Box 25  
Mormon Lake AZ 86038

**ANNUAL REPORT**

ARIZONA CORPORATION  
COMMISSION



Director of Utilities

**FOR YEAR ENDING**

12	31	2002
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FOR COMMISSION USE

ANNO4 02

15 APR 2003

*6th Floor  
4-15-03  
C. M.*

## COMPANY INFORMATION

Fall Pine Estates Water and Improvements Association Inc.		
Company Name (Business Name)		
Mailing Address HC 31 Box 25		
Mormon Lake	AZ	86038
(City)	(State)	(Zip)
928-354-2699	928-354-2699	N/A
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address N/A		
Local Office Mailing Address Same as Above		
(City)	(State)	(Zip)
Local Office Telephone No. (Include Area Code)		
Fax No. (Include Area Code)		
Pager/Cell No. (Include Area Code)		
Email Address		

## MANAGEMENT INFORMATION

Management Contact: Clark Franz		Water Operator	
(Name)		(Title)	
HC 31 Box 25	Mormon Lake	AZ	86038
(Street)	(City)	(State)	(Zip)
928-354-2513	928-354-2699		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			
On Site Manager: Same as Above			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)			
Fax No. (Include Area Code)			
Pager/Cell No. (Include Area Code)			
Email Address			

**Statutory Agent:** Sherra Lyon  
(Name)

HC 31 Box 25 Mormon Lake AZ 86038  
(Street) (City) (State) (Zip)

928-354-2699 928 354 2699  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street) (City) (State) (Zip)

\_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE            |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE              |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL               |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA                |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

COMPANY NAME

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	3,957	3462	495
307	Wells and Springs			
311	Pumping Equipment	14,251	13,850	401
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	36,070	31,959	4,111
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants	896	896	0
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	9508	6,358	3,150
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment	4,934	2,477	2,457
348	Other Tangible Plant			
	<b>TOTALS</b>	69,616	59,003	10,613

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>			2,907

*See attached  
Schedule for  
Depreciation  
Calculations*

This amount goes on Comparative Statement of Income and Expense  
Acct. No. 403.

COMPANY NAME

## BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 46,215	\$ 53,362
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	200	190
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$	\$
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 69,616	\$ 69,616
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(56,096)	(59,003)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 13,520	\$ 10,613
	<b>TOTAL ASSETS</b>	\$ 59,935	\$ 64,166

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	93	
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 93	\$ 0
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 93	\$ 0
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	59,842	
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 59,842	\$ 64,166
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 59,935	\$ 64,166

Year Ended 12/31/2002

PPD BY SABA'S

ASSET NO. DESCRIPTION	<BU%> LIFE	DATE PL DEPRECIATION IN SRVCE METHOD	DEPR. BASIS	SEC 179 EXPENSE	12/31/2001 ACCUM DEPR	CURRENT DEPR	12/31/2002 ACCUM DEPR	NET BOOK VALUE
Structures & Improve (C1) - Acct. (none)								
1.00 Building	40	08/15/66 SL	1,849.00	0.00	1,394.92	46.23	1,441.15	407.85
3.00 Cable	15	10/12/89 MACRS-Y	979.00	0.00	834.39	57.84	892.23	86.77
Note: Declining balance method switched to SL using \$144.61 over 30 months.								
15.00 Fence	10	01/01/94 SL	1,129.00	0.00	1,129.00	0.00	1,129.00	0.00
* Acct. (none) *		3 asset(s)	3,957.00	0.00	3,358.31	104.07	3,462.38	494.62
** Structures & Improve (C1) **		3 asset(s)	3,957.00	0.00	3,358.31	104.07	3,462.38	494.62
Electric Pumping Equi (C2) - Acct. (none)								
4.00 Water Pump	5	08/15/85 ACRS	1,601.00	0.00	1,601.00	0.00	1,601.00	0.00
9.00 Water Pump	7	09/25/89 MACRS-Y	2,120.00	0.00	2,120.00	0.00	2,120.00	0.00
11.00 Electric Pumping	7	01/01/87 MACRS-Y	6,524.00	0.00	6,524.00	0.00	6,524.00	0.00
15.00 Water Pump	5	01/01/95 SL	4,006.00	0.00	3,605.40	0.00	3,605.40	400.60
Asset with no depreciation is not fully depreciated.								
* Acct. (none) *		4 asset(s)	14,251.00	0.00	13,850.40	0.00	13,850.40	400.60
** Electric Pumping Equi (C2) **		4 asset(s)	14,251.00	0.00	13,850.40	0.00	13,850.40	400.60
Dist. reservoirs (C3) - Acct. (none)								
2.00 Water System	50	08/15/65 SL	13,327.00	0.00	9,783.16	266.54	10,049.70	3,277.30
6.00 Water Tank	15	08/14/87 MACRS-Y	2,632.00	0.00	2,554.33	77.67	2,632.00	0.00
Note: Declining balance method switched to SL using \$77.67 over 6 months.								
10.00 Water Tank	10	01/01/91 MACRS-Y	3,448.00	0.00	3,448.00	0.00	3,448.00	0.00
14.00 Water Tank	10	01/01/93 SL-Y	16,663.00	0.00	14,163.20	1,666.30	15,829.50	833.50
* Acct. (none) *		4 asset(s)	36,070.00	0.00	29,948.69	2,010.51	31,959.20	4,110.80
** Dist. reservoirs (C3) **		4 asset(s)	36,070.00	0.00	29,948.69	2,010.51	31,959.20	4,110.80
Other Plant&Misc Equi (C4) - Acct. (none)								
3.00 System expansion	50	08/15/80 SL	5,821.00	0.00	2,554.68	116.42	2,671.10	3,149.90
5.00 System Improvement	5	08/15/85 SL	463.00	0.00	463.00	0.00	463.00	0.00
7.00 System Improvement	7	08/14/87 MACRS-Y	2,652.00	0.00	2,652.00	0.00	2,652.00	0.00
13.00 Compressor	7	01/01/88 MACRS-Y	572.00	0.00	572.00	0.00	572.00	0.00
* Acct. (none) *		4 asset(s)	9,508.00	0.00	6,241.68	116.42	6,358.10	3,149.90
** Other Plant&Misc Equi (C4) **		4 asset(s)	9,508.00	0.00	6,241.68	116.42	6,358.10	3,149.90
Hydrants (C5) - Acct. (none)								
12.00 Fire Hydrants	7	01/01/88 MACRS-Y	896.00	0.00	896.00	0.00	896.00	0.00
* Acct. (none) *		1 asset(s)	896.00	0.00	896.00	0.00	896.00	0.00
** Hydrants (C5) **		1 asset(s)	896.00	0.00	896.00	0.00	896.00	0.00
Misc. Equipment (C6) - Acct. (none)								
17.00 Generator	10	12/01/99 MACRS-Q	4,102.00	0.00	1,542.35	511.93	2,054.28	2,047.72
18.00 3/4 HP Air Compresso	7	10/02/00 MACRS-Q	531.48	0.00	165.41	104.59	270.00	261.48
19.00 2HP Pancake Compress	7	10/02/00 MACRS-Q	300.71	0.00	93.59	59.18	152.77	147.94
* Acct. (none) *		3 asset(s)	4,934.19	0.00	1,801.35	675.70	2,477.05	2,457.14
** Misc. Equipment (C6) **		3 asset(s)	4,934.19	0.00	1,801.35	675.70	2,477.05	2,457.14
GRAND TOTALS		19 asset(s)	69,616.19	0.00	56,096.43	2,906.70	59,003.13	10,613.06

ASSET SUMMARY

	Assets	Original Cost	Depreciable Basis
Beginning	19	69,616.19	69,616.19
Additions-Full Cost	0	0.00	0.00
Dispositions	0	0.00	0.00
IRC 179 Expense			0.00
ITC Basis Reduction			0.00
Reduction Recovery			0.00
Ending	19	69,616.19	69,616.19



Year Ended 12/31/2002

PPD BY SABA'S

	Depreciation+179 Exp	Depreciation
Beginning	56,096.43	56,096.43
Current	2,906.70	2,906.70
Dispositions	0.00	0.00
Ending	59,003.13	59,003.13

Method codes: M, Q, Y=Mid-month, -quarter, half-year convention; A=Luxry auto;  
AB=Adj basis; Am=Amortized; B=Electric vehicle; D=Purchase date; E=Empwrment  
zone pty; F=Farm pty; H=Low income hsng; I=Indian reservation pty; L=Listed;  
PU=Public utility pty; R=Renewal community pty; S=Use subst basis; X=IRS  
like kind exch rules; Z=NY Liberty Zone; 2=Apply JCWA02; !=Force full depr  
in final year

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$	\$
460	Unmetered Water Revenue	12,400	12,800
474	Other Water Revenues (Start-up fees)		4,500
	<b>TOTAL REVENUES</b>	\$ 12,400	\$ 17,300
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 4,000	\$ 4,000
610	Purchased Water		
615	Purchased Power	585	1,191
618	Chemicals		
620	Repairs and Maintenance	11,850	872
621	Office Supplies and Expense	105	281
630	Outside Services		280
635	Water Testing	233	327
641	Rents		
650	Transportation Expenses	0	
657	Insurance – General Liability	2,509	2,710
659	Insurance - Health and Life	0	
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	188	219
403	Depreciation Expense	3,291	2,907
408	Taxes Other Than Income	449	232
408.11	Property Taxes	546	567
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 23,756	\$ 13,585
	<b>OPERATING INCOME/(LOSS)</b>	\$ (11,356)	\$ 3,715
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 1,701	\$ 609
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 1,701	\$ 609
	<b>NET INCOME/(LOSS)</b>	\$ (9,656)	\$ 4,324

COMPANY NAME

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

N/A

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$ <del>0</del>	<del>\$</del>	<del>\$</del>	<del>\$</del>
Date of Maturity				
Interest Rate				
Current Year Interest	\$ <del>0</del>	<del>\$</del>	<del>\$</del>	<del>\$</del>
Current Year Principle	\$ <del>0</del>	<del>\$</del>	<del>\$</del>	<del>\$</del>

Meter Deposit Balance at Test Year End

\$

~~0~~

Meter Deposits Refunded During the Test Year

\$

~~0~~

COMPANY NAME

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-9(18-09)	3	80	8"		N/A	
55-28C80-1	3	80	8"		↓	
55-CR 8-400	3	80	8"			

- Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS *None*

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

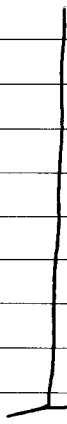
Building - 1966 Metal Pump house

OTHER:

See Asset listing provided on the depreciation Schedule

for a complete list of All utility owned assets

## WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	65	NOT Metered 	
FEBRUARY	65		
MARCH	65		
APRIL	65		
MAY	65		
JUNE	65		
JULY	65		
AUGUST	65		
SEPTEMBER	65		
OCTOBER	65		
NOVEMBER	65		
DECEMBER	65		
TOTAL		N/A	

*Note: Although we sourced 65 homes/houses during the year - this community is mostly vacation summer homes - much more occupancy during summer months.*

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes                      ( ) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes                      (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. \_\_\_\_\_ mg/l

*(If more than one well, please list each separately)*

**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

COMPANY NAME \_\_\_\_\_

YEAR ENDING 12/31/2002

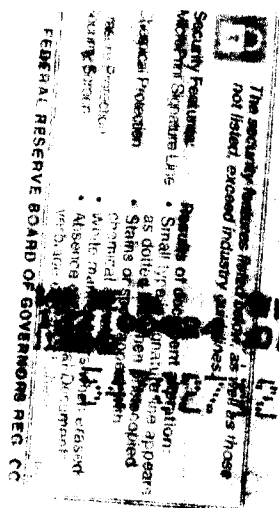
**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2002 was: \$

583.<sup>58</sup>

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_



112002  
12210527  
PAY TO THE ORDER OF

FT TEMPE, AZ 11212042  
TRACER 3261  
1221-0527-8  
112249620

DO NOT WRITE, STAMP OR SIGN BELOW THIS  
RESERVED FOR FINANCIAL INSTITUTION USE \*

0113 00401

**TALL PINE ESTATES WTR/IMPROV ASSN. INC.**  
HC 31, BOX 35 520-354-2543  
MORMON LAKE, AZ 86038

1229

PAY  
TO THE  
ORDER OF

Coconino County Treasurer

DATE 10/22/02

91-2106  
1221

Five hundred Eighty three & 58/100

\$ 583.<sup>58</sup>

**BANK ONE.**

Bank One, Arizona, NA  
Flagstaff Milton Road Office (106)  
Flagstaff, Arizona

FOR 934-00-100 / 934-00-110T

⑈001229⑈ ⑆122100024⑆

*Shirley Lynn*

14718208⑈

⑈0000058358⑈

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 0  
Estimated or Actual Federal Tax Liability 0State Taxable Income Reported 0  
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0  
Amount of Gross-Up Tax Collected 0  
Total Grossed-Up Contributions/Advances 0

*No tax*  
*Non-profit*  
*Exempt from*  
*Federal & State*  
*Income tax*

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Sherra Lyon  
SIGNATURE

4-2-03  
DATE

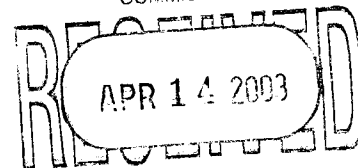
Sherra Lyon  
PRINTED NAME

Secretary / Treasurer  
TITLE



**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Coconino</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Sherra Lyon, Secretary/Treasurer</u>
COMPANY NAME	<u>Tall Pine Estates Water &amp; Improvements Association, Inc</u>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2002</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 17,300

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Sherra Lyon  
SIGNATURE OF OWNER OR OFFICIAL  
928-354-2699  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

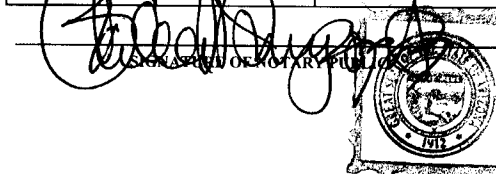
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 7 DAY OF

(SEAL)

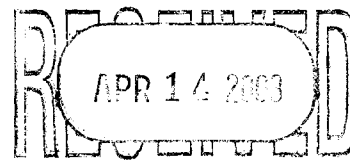
MY COMMISSION EXPIRES Dec 12, 2003

COUNTY NAME	<u>Coconino</u>	
MONTH	<u>April</u>	<u>2003</u>



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

**STATE OF ARIZONA  
I, THE UNDERSIGNED  
OF THE**

(COUNTY NAME) <u>Coconino</u>	
NAME (OWNER OR OFFICIAL) <u>Sherra Lyon</u>	TITLE <u>Secretary/Treasurer</u>
COMPANY NAME <u>Tall Pine Estates water &amp; Improvements Association, Inc.</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

**IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:**

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 17,100

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED

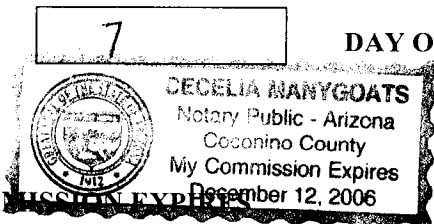
**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

**SUBSCRIBED AND SWORN TO BEFORE ME  
A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
THIS 7 DAY OF**

(SEAL)

MY COMMISSION EXPIRES December 12, 2006



NOTARY PUBLIC NAME <u>Decelia Manygoats</u>	
COUNTY NAME <u>Coconino</u>	
MONTH <u>April</u>	20 <u>03</u>

X

SIGNATURE OF NOTARY PUBLIC